## **DESC Consumer Protection Recommendations**

- 1. A statewide standard disclosure form must be used by all solar companies in securing customer signatures and an executed hard copy must be left with the customer. This applies to leasing or sales (cash or credit), and it should clearly call out the following, among other things:
  - a. The term of the contract
  - b. The projected utility escalation rate
  - c. If a lease, the projected lease escalation rate
  - d. What the projected utility escalation rate was based on or an ORS supplied index.
  - e. A range of payback possibilities on the utility escalation rate to including rate stability (i.e. 0% increase)
  - f. The period to rescind the contract is up to 3 days after the interconnection agreement is approved
  - g. Clear disclosure that federal and state tax credits may not apply
  - h. Clear disclosure of the term of the utility's current billing mechanism (e.g., 1 for 1 net metering) and the uncertainty of future rate mechanisms (to include customer's initials next to the disclosure)
  - i. Clear disclosure that there will still be a utility bill that the customer is responsible for
- 2. Solar sales and leasing contracts may be rescinded up to 3 days after the interconnecting Utility approves the customer's interconnection application. This provides time for the customer to verify Utility approval for the system sold to them, as well as for interaction with family members and the Utility to review and understand what was sold. The ORS may have referred to this as the "jump clause" in the kick-off meeting.
- 3. The ORS should be the authority to void a contract if it determines there were marketing violations and the customer requests the contract be voided.
- 4. Companies buying leads from lead generators that employ unfair and misleading marketing tactics must be held accountable through a sequence of fines and license suspensions. The license suspension could be either the leasing certificate or whatever the SCLLR has on file.
- 5. Companies marketing, installing or providing solar related services in South Carolina must execute an ORS provided affidavit that they <u>AND</u> their third parties abide by fair marketing, construction and operating practices, and it is the solar companies' responsibility to ensure this takes place by annual acknowledgements. Examples of practices this affidavit is intended to prevent include:
  - a. Misrepresentation of the marketer as a government or utility representative
  - b. Misrepresentation of tax credits or incentives and their expiration
  - c. Misrepresentation of effect of shading and roof orientation
  - d. Misrepresentation of how utility billing works
  - e. Building systems prior to utility approval
  - f. Systems designed or installed below current code or good engineering practice standards and with poor workmanship.